

Message Text

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PAGE 01 ANKARA 05162 281440Z

60

ACTION XMB-07

INFO OCT-01 EUR-25 ISO-00 AID-20 CIAE-00 COME-00 EB-11

FRB-02 INR-10 NSAE-00 RSC-01 TRSE-00 OPIC-12 SP-03

CIEP-02 LAB-06 SIL-01 OMB-01 L-03 DRC-01 /106 W

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R 281357Z JUN 74

FM AMEMBASSY ANKARA

TO SECSTATE WASHDC 4841

INFO AMCONSUL ISTANBUL

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E.O. 11652: N/A

TAGS: ETRD, TU

SUBJ: EXIMBANK CREDIT TO EDIRNE IPLIK SANAYII

VE TICARET A.S. (EDIP)

1. TWO OFFICIAL OF EDIRNE IPLIK SANAYII VE TICARET A.S. (EDIP) CALLED ON ECONOMIC COMMERCIAL COUNSELOR JUNE 27 TO REQUEST ASSISTANCE IN MATTER REGARDING EXIMBANK LOAN AGREEMENT 4637 THEY SAID LOAN AGREEMENT PREPARED BY EXIMBANK HAD BEEN SIGNED BY ALL PARTIES TO AGREEMENT; I.E., EDIP, GOT MINISTRY OF FINANCE, ETIBANK, INDUSTRIAL NATIONAL BANK OF RHODE ISLAND, AND EXIMBANK, AND PROMISSORY NOTES HAD ALSO BEEN SIGNED BY ALL PARTIES. HOWEVER, EXIMBANK SUBSEQUENTLY WANTED INCLUSION OF SPECIFIC "ACCELERATED REPAYMENT CALUSE" AND SIGNATURE OF NEW PROMISSORY NOTES WITH INCLUSION OF ADDITIONAL STATEMENT IN PORTION SIGNED BY MINISTRY OF FINANCE. EDIP REPRESENTATIVES SAID FIRMS HAD BEEN WILLING, BUT MINISTRY OF FINANCE REFUSED TO SIGN ADDITIONAL DOCUMENTS REGARDING "ACCELERATED REPAYMENT CALUSE" OR NEW PROMISSORY NOTES. E/COM COUNSELOR URGED EDIP REPRESENTATIVES MAKE FURTHER EFFORT WITH MINISTRY OF FINANCE TO OBTAIN NEW SIGNATURES AS REQUESTED BY EXIMBANK IN MOST RECENT INSTRUCTIONS WHICH U.S. SUPPLIER RELAYED TO EDIP. FIRM OFFICIALS SUBSEQUENTLY MADE APPOINTMENT WITH MINFINANCE; HOWEVER, THEY LATER CALLED E/COM

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PAGE 02 ANKARA 05162 281440Z

COUNSELOR TO SAY MINFINANCE (WHICH HAD ALSO JUST RECEIVED TELEX

REQUEST FROM EXIMBANK) FIRMLY REFUSED TO CHANGE POSITION.

2. E/COM COUNSLEOR SUBSEQUENTLY GOT IN TOUCH WITH RESPONSIBLE OFFICER (ATABEK) IN MINISTRY OF FINANCE. LATTER TOOK STRONG POSITION THAT HE CANNOT SIGN NEW DOCUMENTS AS REQUESTED BY EXIMBANK. HE SAID HE WILL REPLY DIRECTLY TO EXIMBANK TELEX AND INFORM LATTER IN THIS SENSE. AS WE UNDERSTAND IT, GOT CONSIDERS THAT ACCELERATED REPAYMENT PROVISION IS ALREADY CONTAINED IN ARTICLE IX OF LOAN AGREEMENT TO WHICH GOT SUBSCRIBED IN SIGNING ORIGINAL AGREEMENT AS GUARANTOR. GOT ALSO CONSIDERS THAT ADDITIONAL LANGUAGE DESIRED BY EXIMBANK IN PORTION OF PROMISSORY NOTES SIGNED BY GOT REPRESENTATIVES IS ALREADY EXPLICITLY CONTAINED IN PORTION OF NOTES SIGNED BY PARTIES TO AGREEMENT WHICH IS ENDORSED BY GOT SIGNATURE IN ITS PORTION. GOT APPARENTLY HAS NO DISAGREEMENT WITH SUBSTANCE OF WHAT EXIMBANK IS NOW REQUESTING, BUT FEELS THOSE PROVISIONS ARE ALREADY ADEQUATELY CONTAINED IN LOAN AGREEMENT AND NOTES ORIGINALLY PRESENTED AND SIGNED BY ALL PARTIES. MINFINANCE THEREFORE HAS STRONG OBJECTION IN PRINCIPLE TO SIGNING NEW DOCUMENTS. (MATTER ALSO COMPLICATED BECAUSE KOPRULULER WHO SIGNED ORIGINAL DOCUMENTS AS RESPONSIBLE OFFICIAL OF MINFINANCE HAS BEEN PROMOTED AND TRANSFERRED TO NEW MINISTRY.)

3. IN VIEW ABOVE VIEWS STRONGLY HELD BY MINISTRY OF FINANCE, EMBASSY RECOMMENDS EXIMBANK CAREFULLY RECONSIDER WHETHER DOCUMENTS ARE NOT IN FACT ADEQUATE FOR ITS REQUIREMENTS (AS MINFINANCE ASSERTS) IN ORDER TO LET U.S. EXPORT TRANSACTION GO AHEAD.
MACOMBER

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Message Attributes

Automatic Decaptioning: X
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Copy: SINGLE
Draft Date: 28 JUN 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: WorrelSW
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Executive Order: N/A
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Handling Restrictions: n/a
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